



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Michael O. Leavitt
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Robert L. Morgan
Executive Director

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Division Director

February 14, 2003

CERTIFIED RETURN RECEIPT
7099 3400 0016 8896 2727

Mr. Jerry Hascall
Deseret Generation and Transmission
12500 East 25500 South
Vernal, Utah 84078-8525

Re: Tentative Approval to Commence Large Mining Operations, Deseret Generation and Transmission, Diamond Mountain Resources Mine, M/047/066, Uintah County, Utah

Dear Mr. Hascall:

The Division has completed a review of your latest response, received January 6, 2003, to our December 3, 2002, deficiency review letter. After reviewing this latest information, the Division is now prepared to grant tentative approval of the Diamond Mountain Resources large mining permit application. We have prepared the formal notice of tentative approval which will be published for public comment in the appropriate Salt Lake City and Uintah County newspapers (copy attached). This will begin the required 30-day public comment period. If no substantive comments are received during the public comment period, the Division will then be prepared to issue its final approval for this project.

Prior to issuing final approval, we require that you provide us with:

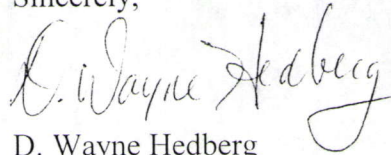
1. Two copies of the complete and corrected plan. When final approval is issued, one copy will be stamped "approved" and returned to you for your records.
2. A Reclamation Contract (Form MR-RC) must be completed and filed with this office. It must be attached to the reclamation surety for this project. The reclamation surety amount is \$271,900. Please let us know which type of surety you propose to post so we can provide you with the appropriate form. Please provide us with a "draft" copy of the completed reclamation contract and surety form before they are finalized so we can review them for completeness and accuracy.

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Deseret Generation and Transmission
Diamond Mountain Resources Mine
M/047/066
February 14, 2003

If the required surety and Reclamation Contract are not received prior to the end of the 30-day public comment period, or if you have not made arrangements as to when they will be submitted, the Division will withdraw the Tentative Approval.

Thank you for your cooperation and patience in completing this lengthy permitting process. . If you have any questions regarding this letter, please contact me at (801) 538-5286 or Paul Baker at 538-5261.

Sincerely,

A handwritten signature in cursive script that reads "D. Wayne Hedberg". The signature is written in dark ink and is positioned above the printed name.

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Enclosures : Public Notice, Reclamation Contract (Form MR-RC)
cc: Chauncie Todd, Ashley National Forest
O:\M047-Uintah\M047066-DG&T\final\tentapp021803.doc